

More Details on Requirement for auditors of public interest companies and their subsidiaries to obtain ACRA's consent for premature resignation

Auditors of public interest companies and their subsidiaries will be required to obtain ACRA's consent for resignation before the end of the term of their appointment.

For further details on the procedures and approval guidelines for resignation of auditors of public interest companies and their subsidiaries, please click [here](#) (PDF, 281KB).

Frequently Asked Questions

Q: Is ACRA's consent required for all resignation of auditors? Is ACRA's consent required for when companies rotate auditors at an annual general meeting?

A: No, consent is required only for auditors of public interest companies or subsidiaries of public interest companies who resign other than at the annual general meetings.

Q: Under what circumstances would ACRA give the consent for resignation?

A: The premature resignation of an auditor of a public interest company or their subsidiaries is a serious matter due to the public interest implications involved. Hence, approval of such resignations will generally only be granted if there are exceptional circumstances such as where the auditor is no longer capable of performing a competent audit or where it is impractical or inappropriate for the auditor to continue his appointment. Examples include the failing health of an auditor practising as a sole proprietor; loss of independence of the auditor; or a change in auditor stipulated by the company's parent entity which is audited by another auditor. Please refer to [Practice Direction No. 4 of 2015](#) (PDF, 281KB) for further details.

Q: What is the definition of a “public interest company”?

A: Public interest companies are:

(a) companies listed or in the process of listing on the Singapore Exchange or a securities exchange outside of Singapore;

(b) selected financial institutions e.g. (i) Companies that are part of the banking and payment system; (ii) Insurers and insurance brokers; (iii) capital market infrastructure providers; and (iv) capital markets intermediaries; and

(c) large charities or institutions of public character which are companies.

The full list of public interest companies can be found in the amended Companies Regulations which will be effective from 1 Jul 2015. Please click [here](#) for the Companies (Amendment No. 2) Regulations 2015 which contain these amendment.

Q: How does an auditor apply for consent to resign?

A: Applications should be submitted to ACRA using the application form “Application for consent to resign as an auditor under s205AB of the Companies Act”. Further details on the application process can be found [here](#) (PDF, 281KB).